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SCHEDULE C

SCOPE OF WORK

C.1. GENERAL REQUIREMENTS

A. Background:

As part of the new process to speed the economic recovery of communities affected by base closures or realignments, President Clinton requested and Congress passed Title XXIX of the National Defense Authorization Act for FY 1994, (Act). Section 2903 of Title XXIX gave the Secretary of Defense authority to transfer property to local redevelopment authorities (LRA) at or below fair market value. The Department of Defense (Department) implemented this authority by creating an additional tool for local communities to use to help foster economic development. This tool is called an "Economic Development Conveyance" (EDC). Under an EDC, the Department may transfer property to an LRA at or below estimated fair market value for purposes of economic development.

On October 26, 1994, the Department issued an amended interim final rule that provided base closure communities with guidance on how to apply for and use an EDC. This new rule was issued to replace portions of the initial interim rules that had been issued on April 6, 1994. These original rules required the use of a market test for purposes of disposing of purportedly readily marketable properties with the proceeds of the sales to go to the Federal Treasury. The original rules also contained elaborate procedures that would allow the Federal Government to recoup some of the revenues generated by these properties that were provided to LRA's at or below estimated fair market value. Spokesmen for local communities were strongly opposed to these suggestions, contending that they were unreasonable, unworkable, and would likely prove to be obstacles to their redevelopment and job creation efforts.

The amended interim final rule eliminates the "market test" requirement. It includes a new application and review process for granting an EDC, and establishes criteria to evaluate the application as a substitute for the "market test." Greater flexibility is given to each Military Department and the communities to negotiate the terms and conditions for an EDC. A detailed application, including the approved community redevelopment plan, will now be the basis for a determination of whether an LRA will be eligible for an EDC. The application and review process will also be used to help determine the terms and conditions of such a conveyance.

B. What is an Economic Development Conveyance (EDC): See Section J for additional information.

C.2 WORK REQUIREMENTS

The contractor shall serve as a technical advisor to the Naval Facilities Engineering Command Headquarters (NAVFAC) staff and the Engineering Field Divisions (EFD) for the purpose of evaluating the adequacy of the applications submitted by LRA's requesting the transfer of real property through the use of an EDC and shall provide NAVFAC and the EFD with its recommendations on whether to approve or disapprove the applications so evaluated.

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Services to evaluate specific applications, evaluate existing or future policy/regulatory guidance, development of training manuals and seminars on the subject of EDC's, will be requested during the contract term. The contractor will work closely with NAVFAC and EFD staff in the course of conducting these evaluations for the purpose of training and educating this staff in the appropriate methodologies to be used in making these evaluations.

A. Review each formal application submitted by an LRA to assure that it is complete and comprehensive and is responsive to all the required elements and suggest any modifications or revisions that may be appropriate.

B. The Contractor shall provide technical assistance to the Government in the following areas:

Base Realignment And Closure (BRAC) Policy and Program Development.

Develops integrated plans and strategies to assist with carrying out the NAVFAC BRAC program. Consolidates, submits and defends resource requirements to fulfill NAVFAC's BRAC role, e.g., engineering, design, and construction of several billion dollars in new facilities, environmental cleanup, National Environmental Policy Act (NEPA) documentation, asbestos/PCB/lead-based paint abatement, underground storage tank removal and response actions, real estate disposal and caretaker claimancy.

Provides technical and professional engineering guidance to NAVFAC personnel and provide coordination of diverse elements involved in planning and constructing realignment facilities, environmental cleanup and disposal of closed bases. Integrates this with environmental, financial, marketing and political considerations to ensure effective community re-use of closed bases.

Provides assistance to NAVFAC personnel that will enable them to represent NAVFAC, the Navy and the Department of Defense on policy issues, and on overall base closure and realignment operations. Deal extensively with Federal, state and local government officials; private industry representatives; and news media; the general public; Congressional staff; members of the Congress, etc. All of the above paragraphs require business travel.

Technical Qualifications.

Professional engineering experience in major world-wide construction and facilities management programs.

Knowledge of how to formulate and carry out innovative solutions to complex issues related to achieving successful program execution.

Experience in overall engineering and construction program management, execution, budgeting, policy formulation, technology applications, engineering solutions, construction project oversight, and reporting.

Knowledge of budgeting, financial management and contracting.

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C. The contractor shall review and analyze alternative methodologies that are available to assess and evaluate each of the elements in the application listed below. The contractor shall then select one or more of these methodologies to be used to assess and evaluate the reasonableness of each of these elements in the application and shall use these methodologies to verify the accuracy and quality of the data and information submitted for each of these elements in the application. The contractor shall provide ample justification for the alternative methodologies so selected and for the assessments made. To the extent possible, methodologies that can be quantified shall be selected:

1. Projected number and type of short and long-term jobs to be created through the use of an EDC.
2. Proposed business and financial plan, including cash flow analysis, market and financial feasibility analysis, cost estimates, and financing strategies.
3. Proposed cost and justification for infrastructure and other investments associated with the development of the EDC.
4. Proposed cost and justification for demolitions associated with the development of the EDC.
5. Proposed local investment and financing strategies associated with the development of the EDC.
6. Proposed estimate of fair market value of the property to be conveyed through the use of an EDC.
7. An assessment and evaluation of any request in the application for a transfer of real property within the estimated range of present fair market value or an assessment and evaluation of any request in the application for a transfer of real property at less than estimated fair market value to include appropriate levels of discount to be allowed, proposed payment schedule, and general terms and conditions for the conveyance.

D. An assessment and evaluation of all other elements included in the application.

E. Provide NAVFAC and the EFD with specific recommendations on whether to grant an EDC to each applicant to include the terms and conditions for each such conveyance.

F. Where an EDC is to be made at less than the range of estimated fair market value for the property, provide NAVFAC and the EFD with specific justifications for transferring the property at this value.

G. An assessment and evaluation of the benefits to be derived by the Federal government through the use of an EDC as requested by the LRA.

H. Prepare background analytic material from each EDC evaluation to be used by senior Navy and Defense Department officials in announcing decisions on each EDC application.

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I. Training NAVFAC and EFD Staff:

The contractor shall train and educate EFD and NAVFAC staff to enable those staffs to conduct independent assessments and evaluations of subsequent applications for an EDC. This training shall consist of the following elements:

1. Ongoing participation of EFD staff in the reviews of EDC applications conducted by the contractor.
2. The contractor shall assist in training sessions for EFD and NAVFAC staff at locations and times to be determined jointly by NAVFAC and the contractor.

J. Handbook of Objective Criteria:

The contractor may be requested to develop a Handbook that will reflect the experiences gained in the evaluations of individual LRA applications for an EDC plus their general professional experience and expertise. The Handbook may include, among other items, the following:

1. Explicit criteria and methodologies to be used to assess and evaluate the reasonableness of each of the following elements in the application:
 - a. Projected number and type of short and long-term jobs to be created through the use of an EDC.
 - b. Proposed business and financial plan, including cash flow analysis, market and financial feasibility analysis, cost estimates, and financing strategies.
 - c. Proposed cost and justification for infrastructure and other investments associated with the development of the EDC.
 - d. Proposed cost and justification for demolitions associated with the development of the EDC.
 - e. Proposed local investment and financing strategies associated with the development of the EDC.
 - f. Proposed estimate of fair market value of the property to be conveyed through the use of an EDC.
 - g. An assessment and evaluation of any request in the application for a transfer of real property within the estimated range of present fair market value.
 - h. An assessment and evaluation of any request in the application for a transfer of real property at less than estimated fair market value to include appropriate levels of discount to be allowed, proposed payment schedule, and general terms and conditions for the conveyance.
2. Explicit criteria and methodologies to be used to assess and evaluate all other elements included in the application.
3. It is expected that this Handbook will be a direct outgrowth and product of the case studies and the general expertise of the contractor.

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K. Travel and Per Diem Costs:

Except as otherwise provided herein, the contractor shall be reimbursed for travel costs (as defined in FAR 31.205-46) on the basis of actual costs incurred in pre-approved travel subject to the following:

1. All travel, whether it be in or outside the Continental United States, shall be accomplished by a commercial carrier (coach or economy class), or privately owned automobile and the costs paid by the contractor. Reimbursement will be pursuant to the terms of the contract on the basis of actual costs if by commercial carrier, and at the rate established by the Joint Travel Regulations (JTR) when travel is performed by private automobile. Compact auto rental when authorized will be reimbursed at rates established by the JTR. All discounted prices must be taken.
2. The travel reimbursable herein includes only that authorized travel by commercial carrier, or private automobile or auto rental performed from the Contractor's plant to the site of work, between the sites of work, and from the site of work, to the contractor's plant. Travel performed for personal convenience, including daily travel to and from work, will not be reimbursed. Travel costs incurred in the replacement of personnel will not be reimbursed by the Government when such replacement is accomplished at the contractor's or employee's convenience. Relocation costs and travel costs incident to relocation are not allowable and will not be reimbursed.
3. The contractor will be reimbursed for the expense of meals, lodging, transportation between places of lodging or business and places where meals are taken, and any other miscellaneous travel and living expenses incurred in the performance of this contract at the per diem rate. Per Diem shall be payable only when the contractor employee is in an authorized travel status. The per diem rate shall be established in accordance with the JTR.

L. The contractor can also expect to have one meeting with NAVFAC and EFD staff as part of the process of reviewing each individual application for an EDC. As appropriate, the contractor may also want to have an on-site presence at each of the individual EFDs and/or LRAs. The contractor may suggest additional meetings for this purpose at his/her discretion. Travel and per diem costs incurred by the contractor in connection with these meetings will be based on JTR rates.

C.3 DELIVERABLES

The contractor shall, as authorized by individual delivery orders, provide a draft of its analysis of the individual applications for the conveyance of real property through the use of an EDC submitted by an LRA. This analysis shall include all of the tasks outlined in Section J. After review by NAVFAC and the EFD and based on the comments received, the contractor shall then prepare a final version of its analysis. An original and six copies of the draft and final versions shall be provided.